

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

1200 19TH STREET, N.W.

SUITE 500

WASHINGTON, D. C. 20036

(202) 955-9600

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FACSIMILE

(202) 955-9792

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(202) 955-9608

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December 15, 1997

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie R. Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

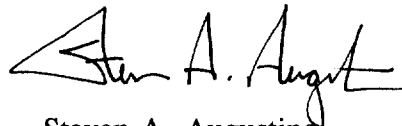
Re: CC Docket No. 97-208

Dear Ms. Salas:

On behalf of the Competitive Telecommunications Association ("CompTel"), please take notice that on December 15, 1997, we met with Paul Gallant, Legal Advisor to Commissioner Tristani, to discuss CompTel's position in this docket. Representing CompTel were myself from Kelley Drye & Warren LLP and Genevieve Morelli. The attached documents were distributed and discussed at the meeting.

In accordance with Section 1.1206 of the Commission's rules, an original and one copy of this notice are provided for inclusion in the public record.

Sincerely,



Steven A. Augustino

Attachment

cc: Mr. Gallant

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of

Application by BellSouth Corp. et al.
for Provision of In-Region,
InterLATA Services in South Carolina

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) CC Docket No. 97-208
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**EX PARTE PRESENTATION OF THE
COMPETITIVE TELECOMMUNICATIONS ASSOCIATION**

December 15, 1997

BELLSOUTH HAS CREATED A BARRIER TO RESIDENTIAL COMPETITION

- **BellSouth's Unnecessary Separation of Network Elements has 5 Principal Effects**

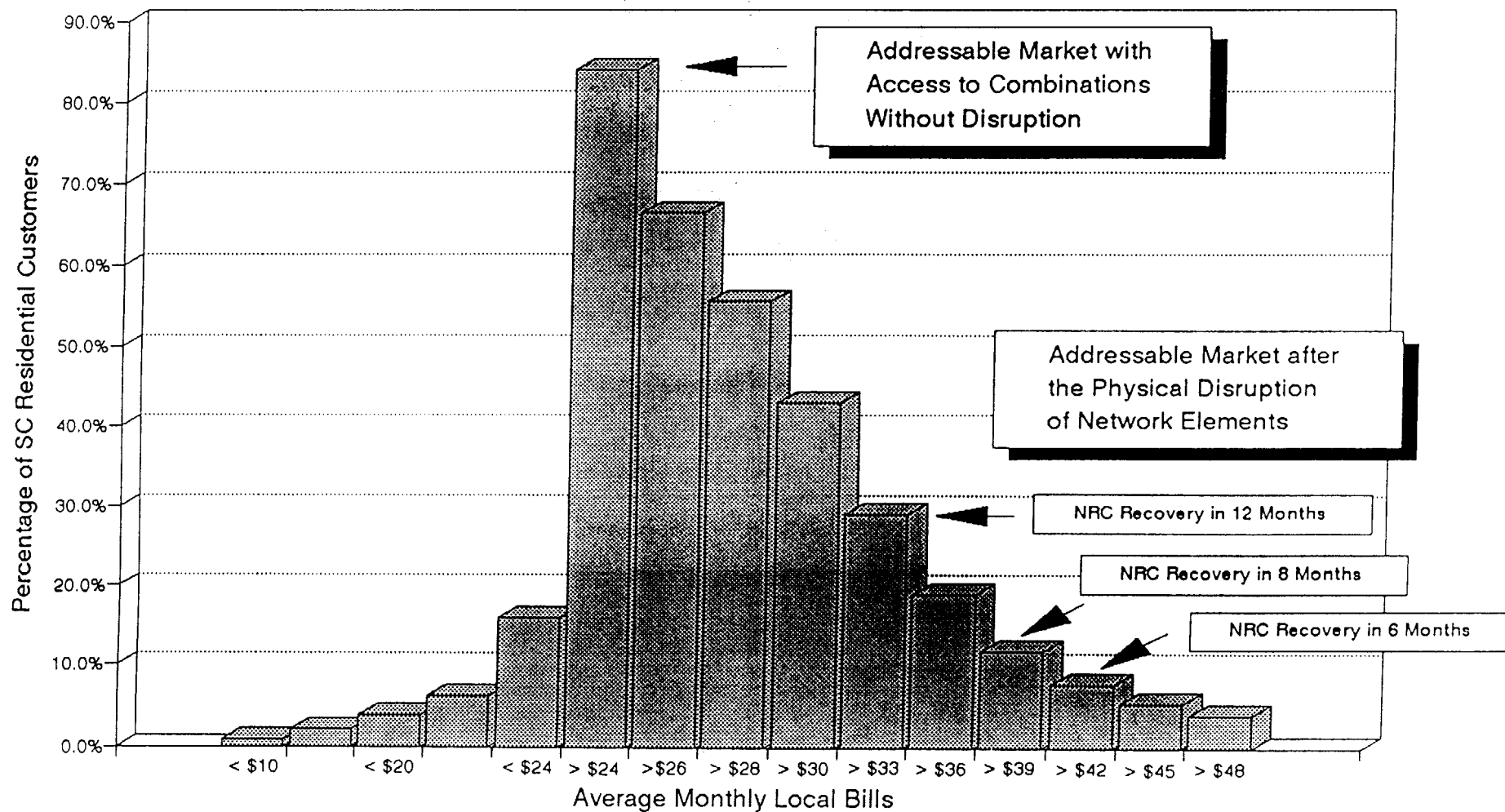
1. Additional charges by BellSouth to separate elements
2. Additional costs to the CLEC to combine elements
3. Otherwise avoidable service outages when customers change carriers
4. Increased risk of error
5. Unreasonable delay in switching customers

- **BellSouth's Policy Precludes Competition for Most Residential Customers**

But for BellSouth's insistence on unnecessary separation, at least 85 percent of South Carolina residential customers would be potential targets for service through BellSouth UNEs.

With BellSouth's policy, however, as little as 8 percent are potential targets.

The Forced Separation of Network Elements Creates a Barrier to Residential Competition



**BELLSOUTH MUST PROVIDE CLECS
THE ABILITY TO COMBINE NETWORK ELEMENTS**

- SGAT is insufficient to demonstrate that CLECs are able to combine elements as permitted under Section 251 of the Act. BellSouth offers only two vague and inadequate options to combine elements: (1) it will physically deliver UNEs to a collocation cage "where possible" or (2) it promises to negotiate other arrangements at some future time.
- The collocation requirement inherent in option (1) is inconsistent with the FCC's conclusion (upheld by *Iowa Utilities Board*) that a CLEC can purchase *all* of the necessary elements from BellSouth and is itself a barrier to entry. BellSouth continues to treat services composed entirely of BellSouth UNEs as resale.
- BellSouth's promise to negotiate a "glue charge" or other arrangements (option (2)) is illusory. BellSouth does not have the concrete and specific obligation sufficient to conclude that BellSouth provides CLECs with the ability to combine UNEs.

**BELLSOUTH ALSO MUST PROVIDE
NONDISCRIMINATORY ACCESS FOR PURPOSES
OF COMBINING NETWORK ELEMENTS**

- After *Iowa Utilities Board*, BellSouth *either* must combine UNEs *or* provide nondiscriminatory access so the CLEC can combine them. Having chosen not to provide pre-existing combinations, BellSouth fails to provide nondiscriminatory access.
- Except in rare circumstances, separation should be accomplished through **automated processes** which also permit automated configuration by CLECs. Where BellSouth can configure service through software changes, CLECs must also be able to do so.
 - Because BellSouth insists on physically separating UNEs, it is evading the FCC's requirement that local service changes requiring only a software modification be comparable to the PIC change process.
- BellSouth must provide **supervised access** to the network so that CLECs can combine UNEs without establishing collocation arrangements.
 - BellSouth claim that access will threaten network integrity should be summarily dismissed. *Iowa Utilities Board* is predicated on the conclusion that ILECs such as BellSouth will provide nondiscriminatory access that enables such combinations.
 - CLEC access cannot be nondiscriminatory unless it is at parity with the access BellSouth provides to its own personnel.

BELLSOUTH MAY NOT PROCEED UNDER TRACK B

- **Track A is the Primary Vehicle for Satisfying Section 271**

Track B is a narrow exception responding to a theoretical concern raised by the BOCs. Existence of actual competition under Track A is the most reliable evidence that local markets are open.

Track A necessarily involves a period where competitors are pursuing facilities-based service but have not yet begun to provide competing services.

A narrow interpretation of Track B's requirements preserves a BOC's incentive to cooperate with a CLEC's efforts to provide facilities-based service. Track B should be available only if, through no fault of the BOC's, no competitors are seeking to enter the market.

- **BellSouth Clearly Has Received Multiple Requests for Interconnection and Access**

With 26 interconnection agreements, BellSouth cannot credibly claim that it never received a request that, if implemented, would lead to facilities-based service under Track A.

UNE-based requests, *provided* UNEs give the equivalent of ownership (including the ability to combine elements efficiently), require a BOC to proceed under Track A, not Track B.

**BELLSOUTH MAY NOT PROCEED UNDER TRACK B
(CONT'D)**

- **Several CLECs are Diligently Pursuing Facilities-Based Service in South Carolina**

Both ACSI and DeltaCom are proceeding to deploy facilities by early 1998.

Both ACSI and DeltaCom are within the "ramp up" period the Commission found was reasonable in the *SBC Oklahoma* Order. BellSouth filed 11 months (at most) after signing an agreement with ACSI and six months after the DeltaCom agreement.

ACSI and DeltaCom's plans to serve residential customers parallel the evidence in the *SBC Oklahoma* proceeding. Like Brooks Fiber in Oklahoma, these carriers will serve residential customers when it makes economic sense and are "exploring opportunities" to do so.

- **There is no Basis to Conclude that CLECs Have Failed to Negotiate in Good Faith or Failed to Comply with an Implementation Schedule**

There is no finding that competing providers have failed to negotiate in good faith or failed to comply with an implementation schedule contained in an agreement.

BellSouth's own actions have erected a barrier to entry in the residential market. The lack of competition is directly attributable to BellSouth, not to CLEC's alleged delay.